

STATE OF MICHIGAN  
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

\*\*\*\*\*

In the matter of the application of	)	
<b>SEMCO ENERGY GAS COMPANY</b>	)	
for approval of revisions to its TR-1, TR-2, TR-3,	)	Case No. U-18178
and OST transportation tariffs.	)	
_____	)	

At the December 20, 2016 meeting of the Michigan Public Service Commission in Lansing,  
Michigan.

PRESENT: Hon. Sally A. Talberg, Chairman  
Hon. Norman J. Saari, Commissioner  
Hon. Rachael A. Eubanks, Commissioner

**ORDER APPROVING APPLICATION FOR *EX PARTE* ORDER**

On September 23, 2016, SEMCO Energy Gas Company (SEMCO) applied for *ex parte* approval of certain revisions to its TR-1, TR-2, TR-3, and OST Transportation Tariffs. SEMCO asserts in its application that, under its current transportation tariffs, customers must provide a dedicated active analog telephone line. Due to legislative and technological changes,<sup>1</sup> situations may arise where customers are unable to acquire analog phone lines. Accordingly, SEMCO would like to offer alternative communication options, in the form of dedicated mobile devices, at the cost of \$35.00 per month, per unit. Rather than using actual costs which vary by provider,

---

<sup>1</sup> The Michigan Telecommunications Act, 179 PA 1991, MCL 484.313 regulates the discontinuance of basic local exchange or toll service, and, among other things, requires that alternative providers offer comparable voice service to customers in the exchange before service may be discontinued. It provides that comparable voice service includes voice over internet protocol services and wireless services.

SEMCO will assess a fee of \$35.00 per month, which reflects the anticipated average cost of providing dedicated mobile devices. Attached to its application are SEMCO's proposed tariff changes, which the company provided in a strike through and red-line format. The proposed changes in the terms and conditions update, clarify and more closely align the new tariff sheets with the changes that have taken place.

The Commission has reviewed the application and the revised tariff language, and finds the changes to be reasonable and prudent, and in the public interest. The changes in the terms and conditions update, clarify and more closely align the new tariff sheets with the technological and legislative changes that have taken place in the industry. Further, the Commission concludes that, because the proposed modifications to the tariff will not increase the cost of service to any existing ratepayers unless customers choose to use the optional mobile devices, *ex parte* approval is appropriate.

THEREFORE, IT IS ORDERED that:

- A. SEMCO Energy Gas Company's application is approved.
- B. Within 30 days of the date of this order, SEMCO Energy Gas Company shall submit tariff sheets substantially similar to the revised tariff sheets attached to this order as Attachment A.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so by the filing of a claim of appeal in the Michigan Court of Appeals within 30 days of the issuance of this order, under MCL 462.26. To comply with the Michigan Rules of Court's requirement to notify the Commission of an appeal, appellants shall send required notices to both the Commission's Executive Secretary and to the Commission's Legal Counsel. Electronic notifications should be sent to the Executive Secretary at [mpscdockets@michigan.gov](mailto:mpscdockets@michigan.gov) and to the Michigan Department of the Attorney General - Public Service Division at [pungpl@michigan.gov](mailto:pungpl@michigan.gov). In lieu of electronic submissions, paper copies of such notifications may be sent to the Executive Secretary and the Attorney General - Public Service Division at 7109 W. Saginaw Hwy., Lansing, MI 48917.

MICHIGAN PUBLIC SERVICE COMMISSION

---

Sally A. Talberg, Chairman

---

Norman J. Saari, Commissioner

---

Rachael A. Eubanks, Commissioner

By its action of December 20, 2016.

---

Kavita Kale, Executive Secretary

M.P.S.C. - No. 1 – Gas  
 SEMCO ENERGY GAS COMPANY  
 (Case No. U-\_\_\_\_\_)

~~Original-First Revised~~ Sheet No. E-9.00  
Replaces Original Sheet No. E-9.00

### TRANSPORTATION SERVICE - (TR-1, TR-2, and TR-3)

#### Availability

This Rate Schedule is available to any person, corporation, partnership or any other party (hereinafter referred to as "Shipper") for the transportation of gas within the Company's Service Territory, when:

A. Shipper desires Transportation Service; and

B. Shipper has met the conditions specified in Section E of the Company's Rules and Regulations for Transportation Service; and

C. Shipper has agreed to provide a dedicated active analog telephone line, ~~a 110-volt electrical outlet~~ adequate electric power at the meter site and such other facilities as may be required for the specialized metering equipment needed to be installed by the Company. Shipper may request and the Company may provide an alternative communication option for \$35.00 per month. Shipper is required to pay for all necessary equipment needed to be installed by the Company. Failure to maintain the telephone line, electrical outlet and other facilities may result in discontinuation of transportation service, or the Company may dispatch service personnel to obtain physical meter reads at the Shipper's expense, for each occurrence.

D. Shipper has also agreed to provide 24 hour per day access to the specialized metering equipment located on the Shipper's premises, and Shipper has agreed, at all times, to allow the Company to perform the work required to maintain the specialized metering equipment. Failure to provide such access may result in discontinuation of transport service. Upon request, the Company will make available to the Shipper the daily volumetric data collected from the specialized metering equipment within two hours following the end of the Gas Day. Upon request, and at Shipper's expense, the Company will permit the Shipper or an Authorized Agent to install such additional equipment as may be necessary to allow remote monitoring of gas flow by Shipper or the Authorized Agent.

E. Shipper and Company have executed a Transportation Service Agreement for service under this Rate Schedule. Shipper must contract for delivery of Gas to a specific Point(s) of Receipt where Shipper's Transporter will deliver Shipper's Gas to the Company and a specific Point(s) of Delivery where the Gas will be consumed. Gas delivered under the terms of this rate may not be resold.

Continued On Sheet No. E-10.00

Issued \_\_\_\_\_  
 Colleen Starring  
 President  
 Port Huron, MI

Effective for service rendered on  
 and after \_\_\_\_\_. Issued under  
 authority of the Michigan Public Service  
 Commission dated \_\_\_\_\_ in  
 Case No. \_\_\_\_\_.

M.P.S.C. - No. 1 – Gas  
SEMCO ENERGY GAS COMPANY  
(Case No. U-\_\_\_\_\_)

~~Original-First Revised~~ Sheet No. E-24.00  
Replaces Original Sheet No. E-24.00

Continued From Sheet E-23.00

## OFF SYSTEM TRANSPORTATION SERVICE - (OST)

### Availability

This Rate Schedule is available to any person, corporation, partnership or any other party (hereinafter referred to as "Shipper") for the transportation of gas within the Company's Service Territory, when:

- A. Shipper desires to move gas through the Company's system to an Off System location and
- B. Shipper has met the conditions specified in Section E of the Company's Rules and Regulations for Transportation Service; and
- C. Shipper has agreed to provide a dedicated active analog telephone line, ~~a 110-volt electrical outlet~~adequate electric power at the meter site and such other facilities as may be required for the specialized metering equipment needed to be installed by the Company. Shipper may request and the Company may provide an alternative communication option for \$35.00 per month. Shipper is required to pay for all necessary equipment needed to be installed by the Company. Shipper has also agreed to provide 24 hour per day access to the specialized metering equipment located on the Shipper's premises. Upon request, the Company will make available to the Shipper the daily volumetric data collected from the specialized metering equipment within two hours following the end of the Gas Day. Upon request, and at Shipper's expense, the Company will permit the Shipper or an Authorized Agent to install such additional equipment as may be necessary to allow remote monitoring of gas flow by Shipper or the Authorized Agent.
- D. Shipper and Company have executed an Off System Transportation Service Agreement for service under this Rate Schedule.

Shipper must contract for a specific Point(s) of Receipt where Shipper deliver Gas to the Company and a specific Point(s) of Delivery where the Gas will exit the Company's system.

### Definitions

As used in this rate schedule:

"Off System" means gas which is transported from a Point(s) of Receipt into the Company's system to a Point(s) of Delivery which is interconnected to a pipeline or other local gas distribution company.

"Operational Districts" shall mean those service territories located in segmented geographical areas of the Company's distribution/transmission system as stated on Sheets A-11.00 through A-14.00.

Issued \_\_\_\_\_  
Colleen Starring  
President  
Port Huron, MI

Effective for service rendered on  
and after \_\_\_\_\_. Issued under  
authority of the Michigan Public Service  
Commission dated \_\_\_\_\_, in  
Case No. \_\_\_\_\_.